



Daily Bulletin

GLOBAL MARKETS & ECONOMIES | WEEKLY ECONOMIC INDICATORS | ASIAN STOCK INDEX | CURRENCIES | PRECIOUS METAL | O I L |

Research Department

12/29/2017

DISCLAIMER:

All contents of This Report have been prepared by Research Dept. of Valbury Asia Futures and are provided solely for informational purpose. We have taken reasonable measures to ensure the accuracy of the report, however, do not guarantee its accuracy and will not accept liability for any consequential loss or damage which may arise directly or indirectly from any use of the report

Published by RESEARCH DEPARTMENT – PT VALBURY ASIA FUTURES

Menara Karya 9th Floor, Jl. HR Rasuna Said Blok X-5 Kav. 1-2 Jakarta 12950 Indonesia, Phone : +6221-25533777

Email: research@valbury.com | Twitter: [@researchvaf](https://twitter.com/researchvaf) | Web-Link: www.valburyfutures.co.id/futures_research.php

GLOBAL MARKETS & ECONOMIES

GLOBAL MARKETS

- World stocks trotted higher in light holiday trading on Thursday, moving to record levels as rising commodities prices gestured to a strong finish to the year for risk assets.

GLOBAL ECONOMIES

- China's outstanding foreign debt rose 7.5 percent in the third quarter to \$1.68 trillion, the foreign exchange regulator said on Thursday, slowing from a 8.7 percent rise in the second quarter.
- Japan's best run of growth in a decade looks set to stretch into 2018, with data on Thursday showing most factories and consumers stepping up a gear, giving policymakers more reasons to discuss an end to crisis-era stimulus.
- Investors hoovered up Italy's government bonds on Thursday both at an auction and in the secondary market, as demand for the country's debt picked up again at higher yields after a recent sell-off prompted by concerns over an upcoming election.
- British banks approved the fewest mortgages in 15 months in November, when the Bank of England raised interest rates for the first time in more than a decade, industry figures showed on Thursday.
- The number of Americans filing for unemployment benefits was unchanged last week and the underlying trend remained consistent with a tightening labor market.

GLOBAL MARKETS

U.S. & Global Markets – World stocks trotted higher in light holiday trading on Thursday, moving to record levels as rising commodities prices gestured to a strong finish to the year for risk assets.

MSCI's world equity index, which tracks shares in 47 countries, has returned more than 24 percent this year including dividends, and looks set for a record 14th month of gains. The index added 0.26 percent on Thursday.

U.S. stocks closed higher, too, even as a weakening dollar suggested lingering doubts about the market's upward trajectory.

The Dow Jones Industrial Average rose 63.21 points, or 0.26 percent, to 24,837.51, the S&P 500 gained 4.92 points, or 0.18 percent, to 2,687.54 and the Nasdaq Composite added 10.82 points, or 0.16 percent, to 6,950.16.

Equity markets have feasted on a global economic growth recovery and accommodative monetary policy in 2017, which has, in turn, lifted company earnings and commodity prices.

"The dominant story right now is that the global economy continues to chug along, and while there are lots of risk scenarios out there, none of them seem to matter," said David Lafferty, chief market strategist at Natixis Investment Managers.

Copper futures were at new four-year highs for an annual gain topping 30 percent, and the metal rose 0.64 percent to \$7,286.50 a tonne on Thursday.

"Commodities are driving trade in the final days of 2017," analysts at London Capital Group said in a note.

"Dr Copper is telling us we could be in for a strong 2018," they added, referring to the industrial metal's reputation for diagnosing economic conditions.

But the U.S. dollar appears to be coming to a different conclusion.

The dollar index, which tracks the greenback against a basket of major world currencies, fell 0.4 percent and was at four-week lows.

Many investors predicted the dollar would get a boost from U.S. tax cuts, tighter central bank monetary policy and strong growth rates in 2017. Instead, the currency fell more than 9 percent over that period.

"The dollar bears are getting their last licks in for 2017, perhaps a foreshadowing of things to come in 2018," said Stephen Innes, head of Asia-Pacific trading at OANDA.

COMMODITY-LINKED CURRENCIES RISE

Oil prices, meanwhile, are near 2-1/2-year highs, natural gas futures rocketed 7 percent higher and gold climbed to a near-one-month top.

With the dollar on the backfoot and commodities flying, currencies of commodity-exporting countries such as Canada, Australia, New Zealand and South Africa hit multi-week highs.

Dollar weakness also helped give another boost to emerging markets, where stocks are up 34 percent this year and on pace for their best performance since 2009.

MSCI's emerging market stock index surged 0.79 percent.

Another tailwind for world stocks is the fact that U.S. tax cuts, which will lead to higher borrowing, have not so far translated into greater borrowing costs.

In fact, U.S. 10-year Treasury yields have retreated after briefly breaking above the 2.50 percent level last week. Benchmark 10-year notes were last down 5/32 in price to yield 2.4305 percent, from 2.412 percent late on Wednesday.

There was some modestly downbeat economic news. The number of Americans filing for unemployment benefits was a bit higher than consensus estimates, according to seasonally adjusted figures published by the Labor Department on Thursday.

JPMorgan Chase & Co economist Daniel Silver said in a note that the number "could be a signal that conditions in the labor market have deteriorated."

U.S. consumer confidence data released on Wednesday also came in below consensus estimates. ([Source Reuters – @her1en](#))

GLOBAL ECONOMIES

China – China's outstanding foreign debt rose 7.5 percent in the third quarter to \$1.68 trillion, the foreign exchange regulator said on Thursday, slowing from a 8.7 percent rise in the second quarter.

The rise in foreign debt was mainly driven by debt securities, as more foreign institutions entered China's debt market, and also by trade credit and pre-payments, the State Administration of Foreign Exchange (SAFE) said.

"Demand for cross-border financing in the real economy has been gradually rising as the two-way fluctuations of the yuan exchange rate increase significantly while the exchange rate is expected to be generally stable," it said.

Some analysts believe China's capital controls may have forced firms to roll over their dollar debt, and Chinese authorities may encourage more dollar borrowings to shore up the yuan.

Outstanding short-term foreign debt stood at \$1.09 trillion at the end of September, accounting for 65 percent of total debt, the regulator said.

Yuan-denominated foreign debt made up for 33 percent of total foreign debt at the end of September, it added.

Japan – Japan's best run of growth in a decade looks set to stretch into 2018, with data on Thursday showing most factories and consumers stepping up a gear, giving policymakers more reasons to discuss an end to crisis-era stimulus.

Industrial production marked its first back-to-back months of increases this year, with a 0.6 rise in November following a 0.5 percent gain in October, the government said. Factories are churning out memory chips for smart phones and semiconductor manufacturing equipment to fill orders from Asia and North America.

Japan's long-cautious consumers are also spending more on electronics, cars and fuel, numbers showed. Retail sales in November increased 2.2 percent from a year earlier, better than the 1.2 percent predicted by economists.

"Consumer spending is doing well, supported by rising stock markets," said Hiroshi Miyazaki, senior economist at Mitsubishi UFJ Morgan Stanley Securities. "The Bank of Japan's policy focus is on interest rates, so it is only natural to question its purchases of risk assets."

Manufacturers project output will jump 3.4 percent in December but then drop 4.5 percent in January, suggesting some moderation.

The numbers add to a string of data showing Japan's economy is in its best shape in more than a decade. The jobless rate is at a 24-year low, exports have risen every month this year, business investment is up for four straight quarters and GDP has expanded every quarter for nearly two years.

Japan's stock market, meanwhile, has rallied more than 20 percent this year to reach 26-year highs, which has also boosted consumer sentiment. The surprisingly strong growth in recent months prompted some BOJ board members to raise the prospect of reducing the central bank's massive stimulus, a summary of opinions from last week's meeting showed on Thursday.

Such policies were aimed at jolting Japan out of deflation but some BOJ board members are encouraging debate about raising rates or lowering purchases of exchange-traded funds.

If the outlook for prices and the economy improves, the BOJ will need to consider whether "adjustments in the level of interest rates will be necessary," one board member said.

Another board member said the BOJ should examine the policy effects and the possible side effects of ETF purchases from "every angle" because of rising stock prices and earnings.

The BOJ buys long-term government debt to keep 10-year yields around zero and also buys ETFs, which are traded on the stock market, increasing its holdings by around 6 trillion yen (\$53 billion) a year.

The summary of opinions does not identify individual speakers, and it is unclear whether a majority of the BOJ's nine-person board shares these views.

But it is clear that the economy's strength has spurred debate about when and how to end the central bank's aggressive monetary easing, which includes buying massive amounts of government bonds, stocks and other assets to keep interest rates low and flood the market with money to spur inflation.

Euro Zone – Investors hoovered up Italy's government bonds on Thursday both at an auction and in the secondary market, as demand for

the country's debt picked up again at higher yields after a recent sell-off prompted by concerns over an upcoming election.

The euro zone's third largest economy sold 4.9 billion euros of five and 10-year bonds, or BTPs, generating over 9 billion euros of demand in the process.

Meanwhile, Italy's 10-year government bond yield edged lower to 1.90 percent on the day - yields normally rise during an auction as investors make space for supply - suggesting that investors were buying whatever they could.

"I think the auction went quite well, especially for the current holiday period," said DZ Bank analyst Sebastian Fellechner.

"I think yesterday we saw some spread widening that has made Italian bonds more attractive, that is why maybe investors are taking advantage," he said.

The drop in Italian borrowing costs on the day was notable given most other euro zone government bond yields were up 2-3 bps in midday trading.

The gap between Italian and German 10-year borrowing costs narrowed 2.5 basis points to just below 151 bps at one stage.

Italian government bond yields have risen in the last couple of weeks after reports emerged that a general election is set to take place in March.

Some investors sold Italian government bonds - which have been a stellar performer overall this year - on concerns that anti-establishment party 5-Star Movement is performing strongly in the polls.

President Sergio Mattarella is widely expected to dissolve parliament before the end of the week, mostly likely later on Thursday, clearing the way for national elections planned for early March.

Italy's ruling Democratic Party (PD), hit by internal divisions and a banking scandal, has been sliding in opinion polls, with a survey on Saturday putting it more than six points behind the eurosceptic 5-Star Movement.

"It appears unlikely that any of the three large political blocks that could be formed ahead (of) elections will be able to secure the outright majority needed ... to appoint a government and to win power," Barclays analyst Fabio Fois told clients earlier this month.

But having the current prime minister stay in office, as is expected, "would help contain concerns over the risk of a sudden political stability cliff straight after elections", Fois said.

U.K. – British banks approved the fewest mortgages in 15 months in November, when the Bank of England raised interest rates for the first time in more than a decade, industry figures showed on Thursday.

Banks approved 39,507 mortgages for house purchase last month, down from 40,417 in October and 5 percent fewer than in November 2016, trade association UK Finance said.

At the start of the month, the Bank of England raised interest rates from a record low 0.25 percent to 0.5 percent.

"Housing market activity remains under pressure from squeezed consumer finances and fragile confidence, and it may well have taken a further dent in November from the Bank of England lifting interest rates," Howard Archer, chief economic adviser to the EY ITEM Club consultancy, said.

A Reuters poll of economists last week suggested British house prices will rise little more than 1 percent next year, with those in London set to fall for the first in eight years.

Last month, finance minister Philip Hammond sought to offer voters some relief with spending plans that focused on housing, including scrapping a property purchase tax for most first-time home-buyers.

"Even if successful, (Hammond's) measures to boost house building in November's budget will take time to have a significant effect so are unlikely to markedly influence house prices in the near term at least," Archer said.

More comprehensive lending figures from the Bank of England are due next Thursday.

U.S. – The number of Americans filing for unemployment benefits was unchanged last week and the underlying trend remained consistent with a tightening labor market.

U.S. workers filed 245,000 initial claims for state unemployment benefits during the week that ended Dec. 23, according to seasonally adjusted figures published by the Labor Department on Thursday. Data for the prior week was unrevised.

Since mid-October, claims have been confined to a range of 223,000 to 252,000.

Economists polled by Reuters had forecast claims edging down to 240,000 in the latest week. Last week marked the 147th straight week that claims remained below the 300,000 threshold, which is associated with a strong labor market. That is the longest such stretch since 1970, when the labor market was smaller.

The labor market is widely seen as near full employment, with the jobless rate at a 17-year low of 4.1 percent. Labor market tightness and a

strengthening economy encouraged the Federal Reserve to increase interest rates earlier this month for a third time this year. The U.S. central bank has forecast three rate hikes for 2018.

The economy added 228,000 jobs in November, well above the roughly 100,000 jobs per month needed to keep up with growth in the working-age population.

The Labor Department said claims-taking procedures continued to be disrupted in the Virgin Islands months after Hurricanes Irma and Maria battered the islands. The processing of claims in Puerto Rico was still not back to normal.

Last week, the four-week moving average of initial claims, which is seen as a measure of labor market trends because it irons out week-to-week volatility, rose 1,750 to 237,750.

The claims report also showed the number of people receiving benefits after an initial week of aid increased 7,000 to 1.94 million in the week ended Dec. 16. The four-week moving average of the so-called continuing claims fell 4,250 to 1.92 million.

(Source Reuters, Research – @her1en)

WEEKLY ECONOMIC CALENDAR

DATE	WIB	CTY	INDICATORS	PER	ACTUAL	FORECAST	PREV.	REV.
Mon/25-Dec-17	12:00	JP	Coincident Index	Oct F	116.4	--	116.5	
	12:00	JP	Leading Index CI	Oct F	106.5	--	106.1	
Tue/26-Dec-17	06:30	JP	Jobless Rate	Nov	2.7%	2.8%	2.8%	
	06:30	JP	Job-To-Applicant Ratio	Nov	1.56	1.56	1.55	
	06:30	JP	Natl CPI Ex Fresh Food YoY	Nov	0.9%	0.8%	0.8%	
	06:30	JP	Natl CPI Ex Fresh Food, Energy YoY	Nov	0.4%	0.3%	0.2%	
	06:30	JP	Natl CPI YoY	Nov	0.6%	0.5%	0.2%	
	06:30	JP	Overall Household Spending YoY	Nov	1.7%	0.5%	0.0%	
	06:50	JP	BOJ Minutes of Oct.30-31 Meeting					
	06:50	JP	PPI Services YoY	Nov	0.8%	0.8%	0.8%	
	11:00	JP	BOJ Kuroda makes a speech in Keidanren					
	21:00	US	S&P CoreLogic CS 20-City MoM SA	Oct	0.7%	0.8%	0.52%	0.97%
	21:00	US	S&P CoreLogic CS 20-City NSA Index	Oct	203.84	--	203.5	203.44
	21:00	US	S&P CoreLogic CS 20-City YoY NSA	Oct	6.38%	6.25%	6.19%	6.16%
	21:00	US	S&P CoreLogic CS US HPI NSA Index	Oct	195.63	--	195.51	195.31
	21:00	US	S&P CoreLogic CS US HPI YoY NSA	Oct	6.17%	--	6.15%	6.05%
22:00	US	Richmond Fed Manufact. Index	Dec	20	21	30		
22:30	US	Dallas Fed Manf. Activity	Dec	29.7	20	19.4		
Wed/27-Dec-17	04:00	KR	Consumer Confidence	Dec	-	--	112.3	
	08:30	CN	Industrial Profits YoY	Nov	14.9%	--	25.1%	
	14:00	CH	UBS Consumption Indicator	Nov	1.67	--	1.54	1.68
	16:00	CH	Credit Suisse Survey Expectations	Dec	52.0	--	40.7	
	16:30	GB	UK Finance Loans for Housing	Nov	-	--	40488	
	22:00	US	Conf. Board Consumer Confidence	Dec	122.1	128	129.5	128.6
	22:00	US	Conf. Board Expectations	Dec	99.1	--	113.3	111

	22:00	US	Conf. Board Present Situation	Dec	156.6	--	153.9	154.9
	22:00	US	Pending Home Sales MoM	Nov	0.2%	-0.4%	3.5%	
	22:00	US	Pending Home Sales NSA YoY	Nov	0.6%	--	1.2%	
Thu/28-Dec-17	04:00	KR	Business Survey Manufacturing	Jan	-	--	82	
	04:00	KR	Business Survey Non-Manufacturing	Jan	-	--	80	
	06:00	KR	Industrial Production SA MoM	Nov	-	1.3%	-1.1%	
	06:00	KR	Industrial Production YoY	Nov	-	0.8%	-5.9%	
	06:50	JP	BOJ Summary of Opinions at Dec. 20-21 Meeting					
	06:50	JP	Industrial Production MoM	Nov P	0.6%	0.5%	0.5%	
	06:50	JP	Industrial Production YoY	Nov P	3.7%	3.6%	5.9%	
	06:50	JP	Retail Sales MoM	Nov	1.9%	0.7%	0.0%	-0.1%
	06:50	JP	Retail Trade YoY	Nov	2.2%	1.0%	-0.2%	
	N/A	CN	BoP Current Account Balance	3Q F	\$40.5b	--	\$37.1b	
	15:30	HK	Exports YoY	Nov	-	--	6.7%	
	15:30	HK	Imports YoY	Nov	-	--	7.9%	
	15:30	HK	Trade Balance HKD	Nov	-	--	-44.0b	
	16:00	EZ	ECB Publishes Economic Bulletin					
	20:30	US	Advance Goods Trade Balance	Nov	-\$69.7b	-\$67.9b	-\$68.3b	-\$68.1b
	20:30	US	Continuing Claims	Dec-16	1943k	1900k	1932k	1936k
	20:30	US	Initial Jobless Claims	Dec-23	245k	240k	245k	
	20:30	US	Retail Inventories MoM	Nov	0.1%	--	-0.1%	
	20:30	US	Wholesale Inventories MoM	Nov P	0.7%	0.3%	-0.5%	-0.4%
	21:45	US	Chicago Purchasing Manager	Dec	67.6	62	63.9	
28-Dec - 29-Dec	N/A	CA	CFIB Business Barometer	Dec	59.7	--	59.3	
	23:00	US	DOE U.S. Crude Oil Inventories	Dec-22	-4609k	-3750k	-6495k	
	23:00	US	DOE U.S. Distillate Inventory	Dec-22	1090k	0k	769k	
	23:00	US	DOE U.S. Gasoline Inventories	Dec-22	591k	1350k	1237k	
Fri/29-Dec-17	06:00	KR	CPI Core YoY	Dec		--	1.2%	
	06:00	KR	CPI MoM	Dec		0.3%	-0.7%	
	06:00	KR	CPI YoY	Dec		1.4%	1.3%	
	07:30	AU	Private Sector Credit MoM	Nov		0.4%	0.4%	
	07:30	AU	Private Sector Credit YoY	Nov		5.2%	5.3%	
	N/A	HK	Budget Balance HKD	Nov		--	22.2b	
	20:00	DE	CPI EU Harmonized MoM	Dec P		0.6%	0.3%	
	20:00	DE	CPI EU Harmonized YoY	Dec P		1.4%	1.8%	
	20:00	DE	CPI MoM	Dec P		0.5%	0.3%	
	20:00	DE	CPI YoY	Dec P		1.5%	1.8%	
Sat/30-Dec-17	01:00	US	Baker Hughes U.S. Rig Count	Dec-29		--	931	

(Source: Reuters-FXstreet-DailyFX- Tradingeconomics-forexfactory, Research: @LukmanLoeng,@her1en)

ASIAN STOCK INDICATORS – *Daily Outlook*

Japan's Nikkei share average erased its earlier gains on Thursday, as the yen gained and banking shares extended their losses.

The Nikkei finished down 0.6 percent at 22,783.98, while the broader Topix slipped 0.6 percent to 1,819.03.

Friday is the last trading day of 2017, with the Nikkei on track to gain more than 19 percent.

The banking subindex slumped 1.4 percent, with Mitsubishi UFJ Financial Group down 2.2 percent.

The dollar skidded 0.5 percent against the yen to a more than one-week low of 112.80

Idemitsu Kosan Co shares dropped 2.6 percent. The oil company's founding family, locked in a battle with the firm's management over a proposed integration with smaller rival Showa Shell Sekiyu, said it had further increased its stake in Idemitsu by about half a percentage point to about 28.5 percent. Showa Shell's shares fell 1.7 percent.

Nippon Sheet Glass Co fell 3.5 percent, a day after it cut its fiscal year net profit forecast.

The few gaining sectors included iron and steel, up 0.1 percent, non-ferrous metals, up 0.6 percent, and electric & gas shares, up 0.3 percent.

Underpinning market sentiment in the morning session, data released early on Thursday showed Japan's industrial output rose more than expected in November and companies forecast a further increase in December as robust overseas demand continues to support factory activity and broader economic growth.

As the economic outlook improves, some Bank of Japan board members have called for a debate about raising interest rates or lowering purchases of exchange-traded funds, a summary of opinions expressed at last week's policy meeting showed.

Separate capital flows data showed foreign investors turned net buyers of Japanese stocks for the week ending on Dec. 23.

South Korea's KOSPI stock index gained and the Korean won ended at 32-month high on Thursday. It was the last trading day for the year. South Korea's financial markets will resume trading on Jan. 2, an hour later than usual.

At 06:32 GMT, the KOSPI was up 30.82 points or 1.26 percent at 2,467.49. The benchmark index rose on heavy foreign buying especially in the IT sector which is expected to lead South Korea's overall fourth-quarter earnings. The KOSPI gained 1.1 percent for the week, its biggest weekly percentage gain in eight weeks. It fell slightly on a monthly basis.

The KOSPI is up around 20.2 percent so far this year, and down by 3.56 percent in the previous 30 days. The KOSPI posted its biggest yearly gain in seven years.

The current price-to-earnings ratio is 12.10, the dividend yield is 1.28 percent and the market capitalisation is 1,242.04 trillion won.

The trading volume during the session on the KOSPI index was 194,553,000 shares. Advancing shares numbered 541 out of the 880 issues traded.

The Korean 3-month Certificate of Deposit benchmark rate was quoted at 1.66 percent, unchanged from its previous close, while the benchmark 3-year Korean treasury bond's yield was 2.132 percent versus the previous day's 2.15 percent.

Hong Kong benchmark stock index rose for a fourth session in a row on Thursday, amid bullish sentiment in the region that pushed Asian stocks to their highest level in a month.

At close of trade, the Hang Seng index was up 266.05 points or 0.9 percent at 29,863.71. The Hang Seng China Enterprises index rose 0.57 percent to 11,683.99.

The sub-index of the Hang Seng tracking energy shares dipped 0.1 percent while the IT sector rose 1.98 percent, the financial sector was 0.77 percent higher and property sector rose 1.64 percent.

The top gainer on Hang Seng was Country Garden Holdings Company Ltd up 8.62 percent, while the biggest loser was China Mengniu Dairy Co Ltd, down 1.91 percent.

So far this year, the Hang Seng index is up 34.53 percent, while China's H-share index is up 23.7 percent. As of the previous close, the Hang Seng has risen 1.44 percent this month.


The top gainers among H-shares were New China Life Insurance Co Ltd up 3.29 percent, followed by China Vanke Co Ltd gaining 2.12 percent and Great Wall Motor Co Ltd up by 1.96 percent.

About 1.38 billion Hang Seng index shares were traded, roughly 77.3 percent of the market's 30-day moving average of 1.79 billion shares a day. The volume traded in the previous trading session was 1.78 billion.

At close, China's A-shares were trading at a premium of 29.88 percent over the Hong Kong-listed H-shares.

The price-to-earnings ratio of the Hang Seng index was 13.49 as of the last full trading day while the dividend yield was 2.9 percent.

So far this week, the market capitalisation of the Hang Seng index has risen by 0.04 percent to HK\$19.37 trillion.

The short and one-factor leveraged Hang Seng index , which is designed to replicate the payoff of a short or leveraged portfolio and is linked to the movements of the Hang Seng Index, was lower by 0.9 percent on the day at 4,942.78 points.

China stocks rallied on Thursday, underpinned by robust gains in consumer and materials firms.

At the close, the Shanghai Composite index was up 21.42 points or 0.65 percent at 3,297.21.

The blue-chip CSI300 index was up 0.7 percent, with its financial sector sub-index higher by 0.06 percent, the consumer staples sector up 4.53 percent, the real estate index down 0.12 percent and healthcare sub-index up 0.84 percent.

So far this year, the Shanghai stock index is up 5.55 percent, the CSI300 is up 21.4 percent this year, while China's H-share index listed in Hong Kong is up 23.7 percent. Shanghai stocks have declined 1.25 percent this month.

About 17.54 billion shares were traded on the Shanghai exchange, roughly 113.5 percent of the market's 30-day moving average of 15.46 billion shares a day. The volume in the previous trading session was 16.27 billion.

As of 07:03 GMT, China's A-shares were trading at a premium of 29.92 percent over the Hong Kong-listed H-shares.

The Shanghai stock index is below its 50-day moving average and above its 200-day moving average.

The price-to-earnings ratio of the Shanghai index was 14.71 as of the last full trading day while the dividend yield was 2 percent.

So far this week, the market capitalisation of the Shanghai stock index has fallen by -0.82 percent to 28.56 trillion yuan.

(Source: Reuters, Research: rizal)

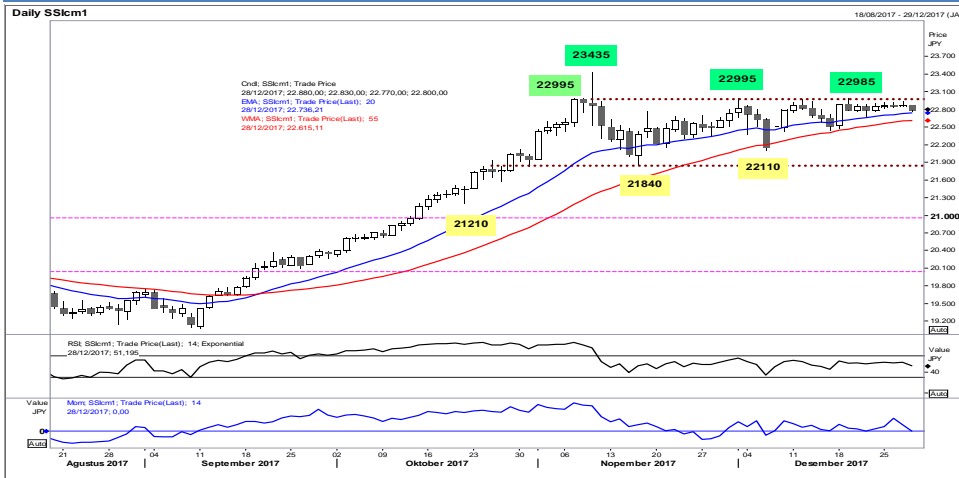
ASIA AND GLOBAL MARKET SPOT PRICE 2017

HIGH / LOW	.N225	.KS200	.HSI	.DJI	/.SPX	/.SSEC
RECORD HIGH	38915.87 (29/Dec/89)	339.59 (02/Nov/2017)	31958.41 (30/Oct/07)	24876.07 (18/Dec/2017)	2690.16 (18/Dec/2017)	6124.04400 (16/Oct./07)
2016 HIGH	19592.90 (21/Dec/16)	264.42 (21/Dec/16)	24364.00 (09/Sep/16)	19987.63 (20/Dec/16)	2277.53 (13/Dec/16)	3538.68940 (04/Jan/16)
2017 HIGH	23439.15 (13/Nov/2017)	339.59 (02/Nov/2017)	30199.69 (22/Nov/2017)	24876.07 (18/Dec/2017)	2690.16 (18/Dec/2017)	3450.49490 (14/Nov/2017)
2017 LOW	18224.68 (17/Apr/2017)	258.64 (02/Jan/2017)	21883.82 (03/Jan/2017)	19677.94 (19/Jan/2017)	2245.13 (03/Jan/2017)	3016.53050 (11/May/2017)
2016 LOW	14864.01 (24/Jun/16)	222.92 (20/Jan/16)	18278.80 (12/Feb/16)	15450.56 (20/Jan/16)	1810.10 (11/Feb/16)	2638.30160 (27/Jan/16)
RECORD LOW	85.25 (06/Jul/50)	31.96 (16/Jun/98)	58.61 (31/Aug/67)	388.20 (17/Jan/55)	132.93 (23/Nov./82)	325.92200 (29/Jul/94)

Closing Prices – 28 December 2017

	CLOSE	CHANGE		CLOSE	CHANGE
.DJI	24837.51	↑ 63.21/0.26%	.N225	22783.98	↓ 127.23/0.56%
/.SPX	2687.45	↑ 4.83/0.18%	.KS200	324.74	↑ 4.49/1.40%
/.IXIC	6950.160	↑ 10.824/0.16%	.HSI	29863.71	↑ 266.05/0.90%
JPY=	112.86	↓ 0.48/0.42%	/.SSEC	3297.20590	↑ 21.42310/0.65%
KRW=	1069.25	↓ 4.97/0.46%	/CLc1 (Oil)	59.89	↑ 0.30/0.50%

SSlamH8 (Nikkei Mar Futures) – Last Trading Date: 12 Mar 2018



- Daily RSI is down
 - Important resistance level 23435, support 22170.
- [\(Research – rial\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
28 Dec SS1pmH8	22800	22830	22770	60	22800	---	↑ 10	0.04	6651
28 Dec SS1amH8	22920	22950	22725	225	22790	22790	↓ 90	0.39	34050
27 Dec SS1pmH8	22880	22955	22865	90	22900	---	↑ 20	0.09	7121
27 Dec SS1amH8	22870	22940	22865	75	22880	22880	↑ 15	0.07	18729
26 Dec SS1pmH8	22870	22885	22855	30	22865	---	Flat	Flat	2289
26 Dec SS1amH8	22880	22915	22840	75	22865	22865	↓ 15	0.07	17102
25 Dec SS1pmH8	H	O	L	I	D	A	Y	--	--
25 Dec SS1amH8	22830	22920	22830	90	22880	22880	↑ 5	0.02	9145
22 Dec SS1pmH8	22850	22875	22815	60	22875	---	↑ 15	0.07	7136
22 Dec SS1amH8	22810	22880	22770	110	22860	22860	↑ 60	0.26	25993

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
22955	22725	22995	22015	23435	21840	23435	18190
(27/Dec)	(28/Dec)	(01/Dec)	(06/Dec)	(09/Nov)	(15/Nov)	(09/Nov)	(17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	23435	High 09/Nov/2017 (Daily Chart)
	23360	Hourly Chart
	23080	Hourly Chart
SUPPORT	22995	High 01/Dec/2017
	22665	Low 01/Dec/2017
	22440	Low 15/Dec/2017
	22110	Reaction Low 06/Dec/2017 (Daily)
RECOMMENDATION	22005	Reaction Low 15/Nov/2017 (Daily)
	BUY	22770
	SELL	----
	STOP LOSS	22620
	TARGET	22970 23020

KSH8 (Kospi Mar Futures) – Exp. Date: 08 Mar 2018



- The series drops to a low level in the daily movement
- Daily RSI is flat
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
28 Dec	321.50	326.15	321.40	4.75	326.15	326.15	↑ 4.45	1.38	184875
27 Dec	319.00	321.70	318.20	3.50	321.70	321.70	↑ 3.75	1.18	182198
26 Dec	319.80	321.75	317.50	4.25	317.95	317.95	↓ 1.05	0.33	168231
25 Dec	H	O	L	I	D	A	Y	--	--
22 Dec	318.65	319.85	317.40	2.45	319.00	319.00	↑ 1.65	0.52	146850
21 Dec	323.00	323.55	317.35	6.20	317.35	317.35	↓ 6.70	2.07	206001

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
326.15 (28/Dec)	317.50 (26/Dec)	331.35 (14/Dec)	317.35 (21/Dec)	339.95 (03/Nov)	324.45 (30/Nov)	339.95 (03/Nov)	259.25 (02/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	331.75	High 28/Nov/2017
	330.90	High Hourly Chart
	329.85	High 30/Nov/2017
	327.80	High Hourly Chart
SUPPORT	318.20	Low 27/Dec/2017
	317.35	Low 21/Dec/2017
	315.05	Low 29/Sept/2017
	314.65	Low 18/Sept/2017
RECOMMENDATION	BUY	325.85
	SELL	----
	STOP LOSS	324.35
	TARGET	327.85 328.35

HSIF8 (Hang Seng Jan Futures) – Exp. Date: 30 Jan 2018



- The series goes rise to the daily high.
- Daily RSI is up. ([Research – rizal](#))

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	SETTLE	CHANGE	% CHANGE	VOLUME
28 Dec (HSIF8)	29828	29961	29813	148	29940	29940	↑ 221	0.74	96172
28 Dec (HSIZ7)	29693	29791	29672	119	29778	29778	↑ 108	0.36	17257
27 Dec (HSIF8)	29677	29727	29592	135	29719	29719	↑ 57	0.19	75624
27 Dec (HSIZ7)	29670	29729	29542	187	29670	29670	↑ 63	0.21	130714
26 Dec	H	O	L	I	D	A	Y	--	--
25 Dec	H	O	L	I	D	A	Y	--	--
22 Dec	29522	29617	29420	197	29607	29607	↑ 249	0.01	199678

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
29961	29542	29961	28149	30189	28087	30189	21863
(28/Dec)	(27/Dec)	(28/Dec)	(07/Dec)	(22/Nov)	(06/Nov)	(22/Nov)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	31341	High 22/Nov/2017
	30209	High Hourly Chart
	30168	High 23/Nov/2017
	30045	High 27/Nov/2017
SUPPORT	29542	Low 27/Dec/2017
	29327	Low Dec 22
	29189	Low Hourly Chart
	28987	Low on hourly chart
RECOMMENDATION	BUY	29680
	SELL	----
	STOP LOSS	29530
	TARGET	29880 29930

CURRENCIES – *Daily Outlook*

Dollar index hits 1-month low, bitcoin slides again - Reuters News



The dollar fell to a one-month low versus a basket of currencies on Thursday on a less upbeat U.S. growth outlook after the passage of major tax cuts, while bitcoin declined for a second day after South Korea stiffened rules on cryptocurrency trading.

Commodity-linked currencies including the Australian and New Zealand dollars posted two-month highs with copper prices hitting a four-year high and oil holding at its strongest levels since mid-2015.

"The dollar had gained on expectations of tax reform. Now that it's here, we are seeing it sold off," said Sireen Harajli, currency strategist at Mizuho in New York.

Last week's passage of the biggest overhaul of the U.S. tax code in 30 years gave the dollar some support, but markets are not confident that the tax reform will feed through quickly into increased consumer confidence.

An index which tracks the greenback against six major currencies slipped nearly half a percent on Thursday to its weakest since Nov. 27. It was last down 0.45 percent at 92.609.

The dollar index has dropped more than 9 percent this year, putting it on track for its biggest annual slide since 2003. The greenback hit its strongest in 14 years at the start of 2017 on hopes that U.S. President Donald Trump would implement pro-growth, pro-inflation measures.

But it has fallen on worries that Trump would not succeed in implementing other programs he campaigned on, in particular infrastructure, and as other countries' central banks have moved towards tightening monetary conditions, lessening the divergence between their policies and that of the Federal Reserve.

The euro rose 0.55 percent to \$1.1951 after touching its highest in a month. It has gained about 14 percent so far this year, setting up for its best annual performance since 2003.

The Australian dollar rose 0.32 percent to \$0.7791, while the New Zealand dollar was up 0.33 percent at \$0.7081.

Bitcoin, the biggest and best-known cryptocurrency, has dwarfed any gains in traditional assets this year, with a 1,300 percent gain. But since hitting record highs near \$20,000 11 days ago, it has fallen on profit-taking, market observers said.

"Professional people are taking money off the table and retail has followed," said Alexander Kravets, co-founder and chief executive at New York-based XTRADE.IO.

Investors reduced their bitcoin exposure further after South Korea said on Thursday it would impose additional measures to regulate speculation in cryptocurrency trading.

Bitcoin was last down 9.31 percent at \$13,891.30 on the Luxembourg-based Bitstamp exchange.

(Source Reuters, Research – @her1en)

EUR/USD

Interest Rate: 0.00% (EU)/ 1.25%-1.50% (US)



- With support area at 1.1658
- Crucial resistance around 1.2254
- Daily RSI is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	1.18983	1.19578	1.18957	62,1	1.19412	↑ 46,5	1.18947
Dec 27	1.18596	1.19090	1.18539	55,1	1.18947	↑ 37,8	1.18569
Dec 26	1.18705	1.18776	1.18455	32,1	1.18569	↑ 6,0	1.18509
Dec 25	H	O	L	I	D	A	Y
Dec 22	0.76993	1.18676	1.18159	51,7	1.18509	↓ 20,9	1.18718

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.19578 (28/Dec)	1.18455 (26/Dec)	1.19578 (28/Dec)	1.17163 (12/Dec)	1.19601 (27/Nov)	1.15528 (07/Nov)	1.20915 (08/Sep)	1.0342 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.2352	Reaction high (High Dec 18, 2014)
	1.2254	Reaction high (High Dec 25, 2014)
	1.2092	Reaction high (High Sept 08)
	1.2031	Reaction high (High Sept 20)
SUPPORT	1.1886	Low Dec 28
	1.1775	Low Dec 19
	1.1712	Low Nov 17
	1.1658	Low Nov 14
RECOMMENDATION	BUY	1.1920
	SELL	-----
	STOP LOSS	1.1840
	TARGET	1.1990 1.2025

USD/JPY

Interest Rate: 1.25%-1.50% (US)/-0.1% (JP)



- The main resistance at 115.19, support 111.41
- Daily RSI is flat
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	113.224	113.253	112.652	60,1	112.842	↓ 32,6	113.168
Dec 27	113.178	113.371	113.136	23,5	113.168	↓ 4,3	113.211
Dec 26	113.284	113.341	113.107	23,4	113.211	↓ 8,5	113.296
Dec 25	H	O	L	I	D	A	Y
Dec 22	113.339	113.436	113.241	19,5	113.296	↓ 1,7	113.313

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
113.371 (27/Dec)	112.652 (28/Dec)	113.739 (12/Dec)	111.394 (01/Dec)	114.723 (06/Nov)	110.831 (27/Nov)	118.60 (03/Jan)	107.307 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	116.85	High 11/Jan/2017
	115.19	High 14/Mar/2017
	114.72	High 06/Nov/2017
	113.91	High 14/Nov/2017
SUPPORT	112.35	Low 04/Dec/2017
	111.41	Low 01/Dec/2017
	110.83	Low 27/Nov/2017
	109.54	Low 15/Sep/2017
RECOMMENDATION	BUY	----
	SELL	113.20
	STOP LOSS	113.90
	TARGET	112.40 112.20

GBP/USD

Interest Rate: 0.50% (GB)/1.25%-1.50% (US)



- Daily corrections
- Daily RSI is down
- Important resistance level at 1.3656, support level 1.3183
[\(Research – riza\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	1.33995	1.34555	1.33966	58,9	1.34273	↑ 28,5	1.33988
Dec 27	1.33724	1.34285	1.33663	62,2	1.33988	↑ 26,1	1.33727
Dec 26	1.33716	1.33882	1.33463	41,9	1.33727	↑ 1,7	1.33710
Dec 25	H	O	L	I	D	A	Y
Dec 22	1.33817	1.33962	1.33566	39,6	1.33710	↓ 11,5	1.33825

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.34555 (28/Dec)	1.33463 (26/Dec)	1.35483 (01/Dec)	1.33004 (15/Dec)	1.35475 (30/Nov)	1.30382 (03/Nov)	1.36565 (20/Sep)	1.1986 (16/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.3871	Fibo. Projections (423.6%)
	1.3712	Fibo. Projections (261.8%)
	1.3656	High 20/Sep/2017
	1.3519	High 08/Dec/2017
SUPPORT	1.3390	Low 28/Dec/2017
	1.3300	Reaction Low Low 15/Dec/2017 (Daily)
	1.3211	Low 22/Nov/2017
	1.3183	Low 20/Nov/2017
RECOMMENDATION	BUY	1.3425
	SELL	----
	STOP LOSS	1.3355
	TARGET	1.3505 1.3535

USD/CHF

Interest Rate: 1.25%-1.50% (US)/-1.25 to -0.25% (CH)



- Daily RSI is up
- Daily corrections
- The main resistance is 1.0170, support 0.9562
[\(Research – riza\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	0.98546	0.98595	0.97704	89,1	0.97788	↓ 76,8	0.98556
Dec 27	0.98925	0.99025	0.98582	44,3	0.98556	↓ 31,1	0.98867
Dec 26	0.98848	0.99144	0.98806	33,8	0.98867	↓ 13,2	0.98999
Dec 25	H	O	L	I	D	A	Y
Dec 22	0.98848	0.99103	0.98813	29,0	0.98999	↑ 16,8	0.98831

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.99144 (26/Dec)	0.97704 (28/Dec)	0.99765 (08/Dec)	0.97339 (01/Dec)	1.00363 (01/Nov)	0.97773 (27/Nov)	1.0335 (03/Jan)	0.94195 (08/Sep)

ANALYSIS & RECOMMENDATION

RESISTANCE	1.0107	High 10/Apr/2017
	1.0099	High 11/May/2017
	0.9986	High 13/Nov/2017
	0.9863	High 28/Dec/2017
SUPPORT	0.9733	Low 01/Dec/2017
	0.9668	Low 29/Sep/2017
	0.9562	Low 15/Sep/2017
	0.9463	Low 11/Sep/2017
RECOMMENDATION	BUY	----
	SELL	0.9805
	STOP LOSS	0.9875
	TARGET	0.9725 0.9705

AUD/USD

Interest Rate: 1.5% (AU)/ 1.25%-1.50% (US)



- Daily RSI is flat
- The main resistance at 0.8036, support 0.7497
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	0.77656	0.78083	0.77656	42,7	0.77969	↑ 32,1	0.77648
Dec 27	0.77238	0.77778	0.77233	54,5	0.77648	↑ 38,8	0.77260
Dec 26	0.77185	0.77288	0.77116	17,2	0.77260	↑ 10,4	0.77156
Dec 25	H	O	L	I	D	A	Y
Dec 22	0.76993	0.77195	0.76993	20,2	0.77156	↑ 16,3	0.76993

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.78083 (28/Dec)	0.77116 (26/Dec)	0.78083 (28/Dec)	0.75002 (08/Dec)	0.77286 (02/Nov)	0.75309 (21/Nov)	0.81239 (08/Sep)	0.7182 (03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.8162	Reaction high (High May 14, 2015)
	0.8124	High Sep 08
	0.8036	High Sep 21
	0.7897	Reaction high on daily chart (Oct 13)
SUPPORT	0.7625	Low Dec 14
	0.7528	Low June 14
	0.7497	Low June 07
	0.7410	Low June 05
ECOMMENDATION	BUY	0.7770
	SELL	-----
	STOP LOSS	0.7695
	TARGET	0.7845 0.7880

NZD/USD

Interest Rate: 2.00% (NZ) / 1.25%-1.50% (US)



- The series rises to a high level in daily movement
- Daily RSI is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	0.70597	0.70974	0.70597	37,7	0.70754	↑ 21,6	0.70538
Dec 27	0.70305	0.70752	0.70276	47,6	0.70538	↑ 16,5	0.70373
Dec 26	0.70196	0.70415	0.70088	32,7	0.70373	↑ 18,9	0.70184
Dec 25	H	O	L	I	D	A	Y
Dec 22	0.70165	0.70257	0.70014	24,3	0.70184	↑ 0,7	0.70177

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
0.70974 (28/Dec)	0.70088 (26/Dec)	0.70974 (28/Dec)	0.68191 (01/Dec)	0.69787 (09/Nov)	0.67794 (17/Nov)	0.75570 (27/Jul)	0.67794 (17/Nov)

ANALYSIS & RECOMMENDATION

RESISTANCE	0.7433	High Sept 20
	0.7374	High Sept 25
	0.7243	High Sept 29
	0.7170	High Oct 19
SUPPORT	0.7027	Low Dec 27
	0.6952	Low Dec 20
	0.6899	Low Dec 12
	0.6815	Low Dec 01
RECOMMENDATION	BUY	0.7065
	SELL	-----
	STOP LOSS	0.6990
	TARGET	0.7140 0.7175

EUR/JPY

Interest Rate: 0.00% (EU)/-0.1% (JP)



- Daily RSI down
- Important resistance at 134.48, support 131.71
[\(Research – rizal\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	134.764	134.953	134.434	51,9	134.810	↑ 9,8	134.712
Dec 27	134.227	134.945	134.170	77,5	134.712	↑ 47,3	134.239
Dec 26	134.475	134.533	134.177	35,6	134.239	↓ 0,6	134.245
Dec 25	H	O	L	I	D	A	Y
Dec 22	134.470	134.507	133.874	63,3	134.245	↓ 31,1	134.556

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
134.953 (28/Dec)	134.170 (27/Dec)	134.953 (28/Dec)	132.024 (15/Dec)	134.119 (30/Nov)	131.144 (20/Nov)	134.953 (28/Dec)	114.87 (17/Apr)

ANALYSIS & RECOMMENDATION

RESISTANCE	139.02	High 21/Aug/2015
	138.61	High 25/Aug/2015
	137.46	High 17/Sept/2015
	136.06	High 22/Oct/2015
SUPPORT	133.61	Low 20/Dec/2017
	132.53	Low 30/Nov/2017
	131.71	Low 28/Nov/2017
	130.59	Low 15/Sept/2017
RECOMMENDATION	BUY	----
	SELL	134.95
	STOP LOSS	135.65
	TARGET	134.05 133.85

USD/CAD

Interest Rate: 1.25%-1.50% (US)/0.75% (CA)



- Correction for daily.
- Daily RSI is flat
- Try to approach the peak area of the daily channel trend
[\(Research – rizal\)](#)

WEEKLY OPEN	CURRENT PRICE
1.2727	1.2567

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1.2735 (26/Dec)	1.2562 (28/Dec)	1.2918 (19/Dec)	1.2562 (28/Dec)	1.2910 (01/Nov)	1.2662 (10/Nov)	1.3793 (05/May)	1.2057 (08/Sep)

ANALYSIS & RECOMMENDATION		
RESISTANCE	1.3011	Reaction High 03/Jul/2017 (Daily)
	1.2918	High 19/Dec/2017
	1.2839	High 21/Dec/2017
	1.2780	Hourly Chart
SUPPORT	1.2472	Low 20/Oct/2017
	1.2326	Reaction Low 26/Sept/2017 (Daily Chart)
	1.2251	Low 22/Sep/2017
	1.2198	Low 20/Sep/2017
RECOMMENDATION	BUY	----
	SELL	1.2595
	STOP LOSS	1.2665
	TARGET	1.2505 – 1.2485

Precious Metal – *Daily Outlook*

Gold prices notch longest string of daily gains in over 6 years - Reuters News



Gold extended a nine-day rally on Thursday and hit a one-month high on a strong technical outlook and a U.S. dollar at a four-week low, as palladium prices reversed earlier losses to touch fresh 17-year highs.

Gold benefited from technically-driven momentum after closing above its 100-day moving average on Wednesday for the first time since late November, analysts said.

Spot gold was up 0.61 percent at \$1,294.84 per ounce by 3:37 p.m. EST (1034 GMT) after hitting its highest since Nov. 29 at \$1,295.21 an ounce. Spot prices have risen for nine straight sessions, not including the Christmas holiday. That is the

longest string of daily gains since July 2011.

U.S. gold futures for February delivery settled up 0.45 percent at \$1,297.20 per ounce.

Higher lows have bullion's chart looking strong, said Eli Tesfaye, senior market strategist for brokerage RJO Futures in Chicago.

"The technicals favor the upside. The gravitational force is trying to break through the (key) psychological level of \$1,300," he said.

Continued softness in the dollar bolstered bullion, with additional strength lent by commodities markets including copper and crude oil, traders said. Brent crude oil futures stayed near 2-1/2-year highs and copper touched a four-year peak.

The dollar retreated against a basket of currencies, with the index slipping to its lowest since late November on a less certain U.S. economic outlook after the passage of major tax cuts.

"The weakness in the dollar is playing its part," Naeem Aslam, chief market analyst at ThinkMarkets, said.

"We do think that this trend will continue into 2018. We expect the gold price to finish the year above \$1,300 mark, and that would send a strong buy signal for traders."

The dollar index is down more than 9 percent so far this year, set for its biggest annual loss since 2003. That's helped lift gold nearly 5 percent from a near five-month low of \$1,235.92 struck in mid-December.

"With the Relative Strength Index (RSI) still at neutral levels, the technical picture suggests there is still potential topside in this rally," currency broker OANDA said in a note.

Net gold imports to major consumer China via main conduit Hong Kong fell 23.6 percent in November from the previous month, data showed. Palladium touched its highest since February 2001 at \$1,072 and was up 0.71 percent at \$1,068, continuing its climb on expectations of short supplies and strong demand.

Silver was up 0.88 percent at \$16.83 an ounce after hitting a one-month high of \$16.887. Holdings of silver exchange-traded funds tracked by Reuters rose to their highest since early September, with Thursday's data showing a 62-tonne inflow.

Platinum was up 0.95 percent at \$925.70 an ounce.

(Source Reuters, Research – @her1en)

GOLD (XAU/USD)



- Resistance around 1316
- Support area is around 1258
- Daily RSI is up
[\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS	AM FIX	PM FIX
Dec 28	1287.020	1295.090	1286.860	8.23	1294.790	↑ 7.77	1287.020	1291.60	1291.00
Dec 27	1282.930	1288.790	1281.230	7.56	1287.020	↑ 4.30	1282.720	1285.40	1279.40
Dec 26	1273.820	1283.630	1273.270	10.36	1282.720	↑ 8.01	1274.710	N/A	N/A
Dec 25	H	O	L	I	D	A	Y	--	--
Dec 22	1266.300	1276.040	1264.860	11.18	1274.710	↑ 8.28	1266.430	1268.05	N/A

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
1295.090	1273.270	1295.090	1236.320	1299.060	1265.340	1357.380	1146.31
(28/Dec)	(26/Dec)	(28/Dec)	(12/Dec)	(27/Nov)	(03/Nov)	(08/Sep)	(03/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	1334.36	Reaction high on daily chart (High Sep 15)
	1316.10	High Sep 20
	1306.06	High Oct 16
	1299.13	High Nov 27
SUPPORT	1286.58	Low Dec 27
	1273.20	Low Dec 26
	1264.70	Low Dec 22
	1258.91	Low Dec 19
RECOMMENDATION	BUY	1292.00
	SELL	----
	STOP LOSS	1281.00
	TARGET	1302.00 1307.00

SILVER (XAG/USD)



- With strong resistance at 17.46
 - While the crucial support area is around 16.05
- [\(Research - @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	16.654	16.867	16.649	0.22	16.839	↑ 0.17	16.667
Dec 27	16.517	16.707	16.467	0.24	16.667	↑ 0.15	16.521
Dec 26	16.316	16.549	16.304	0.25	16.521	↑ 0.19	16.334
Dec 25	H	O	L	I	D	A	Y
Dec 22	16.107	16.404	16.094	0.31	16.334	↑ 0.22	16.110

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
16.867	16.304	16.867	15.602	17.362	16.300	18.63	14.334
(28/Dec)	(26/Dec)	(28/Dec)	(12/Dec)	(17/Nov)	(30/Nov)	(17/Apr)	(07/Jul)

ANALYSIS & RECOMMENDATION

RESISTANCE	17.85	High Sept 05
	17.46	High Oct 16
	17.30	High Oct 20
	17.11	High Nov 28
SUPPORT	16.45	Low Dec 27
	16.27	Low 16/Dec/2017
	16.05	Reaction Low 21/Dec/2017 (Daily Chart)
	15.95	Low 18/Dec/2017
ECOMMENDATION	BUY	16.80
	SELL	-----
	STOP LOSS	16.45
	TARGET	17.15
		17.35

OIL – Daily Outlook

Oil prices stay near high on strong U.S. refinery runs, China data - Reuters News



Oil prices edged up on Thursday, remaining near 2-1/2-year highs after data showed strong demand for crude imports in China and on increased U.S. refining activity that drew more crude from inventories.

Trading was typically thin at year end, with many traders on vacation.

The U.S. Energy Department said crude stocks fell 4.6 million barrels in the latest week. Inventories excluding the nation's strategic reserve have declined more than 11 percent in the last year.

U.S. refining runs increased, pushing capacity use to 95.7 percent, the highest in December dating to 1998. Refiners have profited in recent months as the spread widened between U.S. crude and Brent futures prices.

"In the week past, strong demand for refined products, especially distillates, continued to incent refiners to process crude oil at increasing rates," said David Thompson, executive vice president at Powerhouse, an energy-specialized commodities broker in Washington.

U.S. West Texas Intermediate (WTI) crude futures rose 20 cents to \$59.84 a barrel. Brent crude futures settled up 28 cents at \$66.72 a barrel.

This week, WTI broke above \$60 a barrel for the first time since June 2015, while Brent breached \$67 for the first time since May 2015.

Oil markets have tightened after a year of production cuts led by Middle East-dominated Organization of the Petroleum Exporting Countries (OPEC) and Russia. OPEC cuts kicked off last January and are scheduled to continue throughout 2018.

Countering those cutbacks, U.S. oil production has soared more than 16 percent since mid-2016 and is approaching 10 million barrels per day, trailing only OPEC kingpin Saudi Arabia and Russia.

In the most recent week, U.S. production dipped modestly to 9.75 million bpd from 9.79 mln bpd the previous week.

Prices were supported in early trade by China's release of strong import quotas for 2018. China's crude inventories in November hit a seven-year low of 26.15 million tonnes, Xinhua data showed.

Pipeline outages in Libya and the North Sea have also supported prices. Libyan oil supplies were disrupted by an attack on a pipeline this week and flows towards the port of Es Sider were cut by about 70,000 bpd on Thursday.

In the North Sea, the 450,000 bpd capacity Forties pipeline system was shut this month after a crack was found.

Both pipelines are expected to return to normal operations by early January.

(Source Reuters, Research – @her1en)

CLG8/USD (OIL)
 (Exp.: 22 Jan. 2018 - Reuters)



- Daily RSI is flat
 - Correction in daily
 - Important resistance at 63.37 support at 56.09.
- [\(Research – @her1en\)](#)

DATE	OPEN	HIGH	LOW	RANGE	CLOSE	CHANGE	PREVIOUS
Dec 28	59.52	59.92	59.44	0.48	59.88	↑ 0.30	59.58
Dec 27	59.77	59.91	59.32	0.59	59.58	↓ 0.22	59.80
Dec 26	58.40	59.98	58.31	1.67	59.80	↑ 1.46	58.34
Dec 25	H	O	L	I	D	A	Y
Dec 22	58.20	58.48	57.86	0.62	58.34	↑ 0.12	58.22

WEEKLY		DECEMBER		NOVEMBER		2017	
HIGH	LOW	HIGH	LOW	HIGH	LOW	HIGH	LOW
59.98	58.31	59.98	55.80	59.01	53.88	59.98	42.04
(26/Dec)	(26/Dec)	(26/Dec)	(07/Dec)	(24/Nov)	(01/Nov)	(26/Dec)	(21/Jan)

ANALYSIS & RECOMMENDATION

RESISTANCE	71.66	Fibo Projections in daily chart (423.6%)
	66.54	Fibo Projections in daily chart (261.8%)
	63.37	Fibo Projections in daily chart (161.8%)
	61.41	Fibo Projections in daily chart (100%)
SUPPORT	58.32	Low Dec 26
	57.44	Low Dec 20
	56.09	Low Dec 14
	55.39	Low Nov 17
RECOMMENDATION	BUY	59.70
	SELL	-----
	STOP LOSS	58.50
	TARGET	61.10 61.60